

Message Text

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SUBJ: KENYA MARKET BRIEF - MEDICAL EQUIPMENT

REF: 77 STATE 274961 77 STATE 264582

1. KENYAN IMPORTS OF MEDICAL EQUIPMENT (BTN CATEGORIES 90.17, 90.18, 90.20 AND 90.25) WERE 3.7 MILLION DOLLARS IN 1976, 2.3 MILLION DOLLARS IN 1975 AND 2.5 MILLION DOLLARS IN 1974. ANNUAL GROWTH IS PROJECTED AT 10PERCENT, AMOUNTING TO 5.4 MILLION DOLLARS IN 1980. THE U.S. SHARE OF IMPRTS HAD GROWN TO 11PERCENT IN 1976 AND CONSIDERABLE POTENTIAL FOR ADDITIONAL GROWTH REMAINS. YEAR-TO-YEAR SHARES VERY DUE TO MODEST MARKET SIZE, HOWEVER THE UNITED KINGDOM'S TRADITIONAL DOMINANCE (38PERCENT IN 1976) SHOWS SIGNS OF EROSION IN RECENT YEARS. WEST GERMANY (20PERCENT IN 1976) HAS EMERGED AS THE LEADING CONTENDER.

2. SALES POTENTIAL FOR MEDICAL EQUIPMENT IN KENYA IS LARGELY A FUNCTION OF GOVERNMENT PRIORITIES OUTLINED IN THE DEVELOPMENT PLAN. ALTHOUGH NOT YET PUBLISHED, THE 1978-83 PLAN
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WILL LIKELY EMPHASIZE MEDICAL TRAINING, EXPANDED DENTAL SERVICES (INCLUDING MOBILE CLINICS), AND EXPANDED PSYCHIATRIC SERVICES (ESPECIALLY OCCUPATIONAL THERAPY). HEALTH PROGRAMS SHOULD PARALLEL THE GENERAL PRIORITY OF IMPROVING ECONOMIC AND SOCIAL WELL-BEING OF THE RURAL POPULATION, AND INCLUDE THE ADDITION OF 2000 HOSPITAL BEDS IN SELECTED AREAS, IMPROVEMENT AND EXPANSION OF BASIC MEDICAL SERVICES, AND A DIFFUSION OF

EDICAL RESEARCH ACTIVITY. KENYATTA NATIONAL HOSPITAL AND MEDICAL TRAINING CENTER WLL ORE THAN DOUBLE ITS PRESNE SIZE TO NEARLY 2300BEDS. U.S. POTENTIAL LIES MAINLY IN DIAGNOSTIC, SURGICAL, LABORATORY AND TRAINING EQUIPMENT, RATHER THEN BASIC WARD FURNISHINGS, SUCH AS FURNISTURE AND SIMPLE ITEMS OF FABRICATED METAL.

3. KENYA'S GENERAL PUBLIC HAS ACCESS TO 117 MEDICAL FACILITIES WITH RESIDENT PHYSICIANS. THEBED POPULATION (18,772) IS DIVIDED BETWEEN THE GOVERNMENT HEALTH SYSTEM (64PERCENT, CHURCH-SPONSORED UNITS (29PERCENT) AND PRIVATE HOSPITALS (7PERCENT) THERE ARE ALSO SPECIALIZED AND RESTRICRTED INSITUTIONS SUCH AS LEPROSY AND PSYCHIATRIC HOSPITALS, AND THOSE SERVING PRISON, ARMED FORCES AND COMPANY POPULATIONS.

4. CENTRAL GOVERNMENT HEALTH SERVICES, MEDICAL TRAINING AND HEALTH DEVELOPMENT ACTIVITIES, ARE ADMINISTERED BY THE MINISTRY OF HEALTH. OUTPATIENT CARE IS PROVIDED FREE BY SPECIALIZED INSTITUIONS, RURAL CLINICS, DISTRICT HOSPITALS (48), PROVINCIAL HOSPITALS (8), AND THENATIONAL GENERAL, TEACHING AND REFERRAL HOSPITAL. VIRTUALLY ALL PURCHASING AND DISTRIBUTION FOR THE SYSTEM IS PERFORMED BY CENTRAL MEDICAL STORES. PURCHASING IS GENERALLY THROUGH A TENDER PROCESS. SELECTION AND APPROVAL OF REQUIREMENTS ARE MADE BY A MINISTERIAL TENDER BOARD AND THE GOVERNMENT'S CENTRAL TENDER BOARD. ACTUAL UNCLASSIFIED

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GOVERNMENT EXPENDITURE FORMEDICAL EQUIPMENT IN FY 75/76 WAS 1.4 MILLION DOLLARS. APPROVED ESTIMATES FOR FY 76/77TOTALED 2.3 MILLION DOLLARS. TOTAL GOVERNMENT PURCHASES OF MEDICAL EQUIPMENT, SUPPLIES AND DRUGS ARE ESTIMATED TO EXCEED 12.0 MILLION DOLLARS ANNUALLY.

5. WE KNOW OF NO DOMESTIC MANUFACTURE WITHIN THE SELECTED BTN CATEGORIES. IMPORATION OF MEDICAL EQUIPMENT IS GENERALLY FREE OF DUTY AND, ALTHOUGH SUBJECT TO LICENSING AND FOREIGN EXCHANGE CONTROLS, IS ACCOMPLISHED WITH RELATIVE EASE. MANY IMPORTS ARE SUBJECT TO A PRE-SHIPMENT INSPECTION REQUIREMENT PERFORMED BY GENERAL SUPERINTENDENCE COMPANY. IN THESE CASES, ISSUANCE OF A CLEAN REPORT OF FINDINGS IS ESSENTIAL TO RECEIVING PAYMENT.

6. NEW-TO-MARKET FIRMS ARE RECOMMENDED TO OBTAIN STRONG LOCAL REPRESENTATION THROUGH AGNCY/DISTRIBUTOR AGREEMENTS. ANY VIABLE FORM OF LOCAL ASSEMBLY OR PROCESSING SHOULD BE CONSIDERED, INCLUDING EVALUATION OF EXPORT POTENTIAL FROM A LOCALBASE. THE GREATER A FIRM'S LOCAL PRESENCE THE MORE LIKELIHOOD OF MARKETING SUCCESS.

7. THE FOLLOWING WILL BE AIR POUCHED.:.

COPY OF KENYA HEALTH SERVICES - 1971

LIST OF ORGANIZATIONS REGISTERED WITH CENTRALMEDICAL
STORES

LIST OF RESPONDENTS TO RECENT MEDICAL EQUIPMENT TENDER

LIST OF MAJOR PROSPECTIVZ CUSTOMERS

LIST OF MAJOR TRADE, INDUSTRIAL AND PROFESSIONAL
ASSOCIATIONS

LIST OF POTENTIAL AGENTS AND DISTRIBUTORS

LIST OF PUBLICATIONS

LIST OF PZRSONS INTERVIEWED DURING PREPARATION OF
MARKET BRIEF

TWO LOU ITEMS.

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